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9 *Counsel for Debtor*

10

11 **UNITED STATES BANKRUPTCY COURT**

12

13 **DISTRICT OF NEVADA**

14 In re

15 CASH CLOUD, INC.,
dba COIN CLOUD,

16 Debtor.

17 Case No. BK-23-10423-mkn

18 Chapter 11

19
20 **SUPPLEMENTAL DECLARATION OF**
TANNER JAMES IN SUPPORT OF
OMNIBUS REPLY IN SUPPORT OF
MOTION FOR ENTRY OF AN ORDER
AUTHORIZING DEBTOR TO
SURCHARGE THE COLLATERAL OF
GENESIS GLOBAL HOLDCO, LLC,
ENIGMA SECURITIES LIMITED, AND
AVT NEVADA, L.P.

21
22 Hearing Date: October 16, 2023
Hearing Time: 9:30 a.m. (Pacific Time)

I, Tanner James, declare as follows:

1. I am a Vice President at Province, LLC (“Province”), the financial advisor to Cash Cloud, Inc. dba Coin Cloud (“Debtor”), debtor and debtor in possession in the above-captioned case (the “Bankruptcy Case”). I make this Declaration in further support of the *Motion for Entry of an Order Authorizing Debtor to Surcharge the Collateral of Genesis Global Holdco, LLC, Enigma Securities Limited, and AVT Nevada, L.P.* [Docket No. 926] (the “Motion”),¹ the omnibus reply filed concurrently herewith, and for all other purposes authorized by law.

2. In my capacity with Province, I am familiar with the records of the Debtor and am familiar with the surcharge analysis set forth herein. In addition, I was involved with the sale of the Debtor's assets and consulted with my colleagues and other knowledgeable estate professionals. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge. I am over the age of 18 and am mentally competent. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

3. On May 2, 2023, I received an email from Andrew Kissner, an attorney at Morrison Foerster, counsel to Enigma. A true and correct copy of the email is attached hereto as **Exhibit A**.

4. On request of the Debtor, and in response to the issues raised in the Objections, I am preparing an analysis of the professional fees included in the surcharge expenses set forth in the motion to analyze their reasonableness and necessity in the Debtor's efforts to preserve and enhance the value of the Secured Creditors' Collateral for the benefit of the Secured Creditors. I intend to provide that further analysis by supplemental declaration on September 20, 2023, or such date otherwise agreed to by the parties or required by Court order.

I declare, under penalty of perjury of the laws of the United States of America, that the foregoing statements are true and correct to the best of my knowledge, information and belief.

Dated this 15th day of September, 2023.

/s/ *Tanner James*

Tanner James

¹ Unless otherwise defined herein, all capitalized terms have the definitions set forth in the Motion.

Exhibit A

From: Kissner, Andrew <AKissner@mofo.com>
Sent: Tuesday, May 2, 2023 3:02 PM
To: Tanner James <tjames@provincfirm.com>; Zach Marcus <zmarcus@Enigma-securities.io>; Spencer Stires <sstires@provincfirm.com>
Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>; Axelrod, Brett <BAxelrod@foxrothschild.com>
Subject: RE: Coin cloud

EXTERNAL EMAIL

Tanner,

Unfortunately, the lack of clarity around the go-forward licensing situation appears to be a deal-killer for parties seeking to purchase abandoned collateral. Put another way, nobody wants to take on the risk of operating the kiosks if the plug might be pulled on the software in two months. Copying Brett in case she has any other ideas, but is there any appetite to granting a postpetition license? Otherwise, I'm not sure I see how these machines end up anywhere but a landfill.

-Andrew

Andrew Kissner
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MORRISON FOERSTER
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From: Tanner James <tjames@provincfirm.com>
Sent: Friday, April 28, 2023 1:30 AM
To: Zach Marcus <zmarcus@Enigma-securities.io>; Spencer Stires <[sstires@provincfirm.com](mailto:ssstires@provincfirm.com)>; Kissner, Andrew <AKissner@mofo.com>
Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>
Subject: RE: Coin cloud

External Email

Zach,

I think the answer ultimately depends on who wins the auction, but we intend to encourage the winning party to allow that.

What is the timeline these machines would need to be running by?

Tanner James

Senior Associate

From: Zach Marcus <zmarcus@Enigma-securities.io>

Sent: Thursday, April 27, 2023 2:30 PM

To: Spencer Stires <sstires@provincfirm.com>; Kissner, Andrew <AKissner@mofo.com>; Tanner James <tjames@provincfirm.com>

Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

EXTERNAL EMAIL

Spencer, Tanner,

For the 110 initial rejections, will we be able to continue using the CoinCloud operating software, or will we have to implement new software?

Thanks,

Zach

Zach Marcus

Vice President

Enigma Securities, New York | Makor Group

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10 East 53rd Street, 17th Floor, New York, NY 10022

Zach Marcus

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From: Spencer Stires <sstires@provincfirm.com>

Sent: Wednesday, April 26, 2023 11:22 PM

To: Zach Marcus <zmarcus@Enigma-securities.io>; Kissner, Andrew <AKissner@mofo.com>

Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

Hi Zach,

Attached is the kiosk data, as well as the most recent parts information we have.

Let me know any questions.

Best,

Spencer Stires

Associate

From: Kissner, Andrew <AKissner@mofo.com>

Sent: Wednesday, April 26, 2023 10:54 AM

To: Tanner James <tjames@provincefirm.com>; Zach Marcus <zmarcus@Enigma-securities.io>; Spencer Stires <[sstires@provincefirm.com](mailto:ssstires@provincefirm.com)>

Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

EXTERNAL EMAIL

Thank you.

Andrew Kissner

Of Counsel

akissner@mofo.com

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**MORRISON
FOERSTER**

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From: Tanner James <tjames@provincefirm.com>

Sent: Wednesday, April 26, 2023 1:52 PM

To: Kissner, Andrew <AKissner@mofo.com>; Zach Marcus <zmarcus@Enigma-securities.io>; Spencer Stires <[sstires@provincefirm.com](mailto:ssstires@provincefirm.com)>

Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

External Email

Fantastic – I am very happy to hear that.

We will turn back to this today.

Best,

Tanner James
Senior Associate

From: Kissner, Andrew <AKissner@mofo.com>
Sent: Wednesday, April 26, 2023 10:49 AM
To: Zach Marcus <zmarcus@Enigma-securities.io>; Tanner James <tjames@provincefirm.com>; Spencer Stires <sstires@provincefirm.com>
Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>
Subject: RE: Coin cloud

EXTERNAL EMAIL

Now that the stalking horse is in place, and bid procedures approved, I just wanted to make sure this is being attended to—Enigma has (knock on wood) hopefully arranged for disposition of the abandoned machines, but the purchaser needs to confirm this information before it will sign the contract.

Thanks,
Andrew

Andrew Kissner
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From: Zach Marcus <zmarcus@Enigma-securities.io>
Sent: Wednesday, April 26, 2023 9:43 AM
To: Tanner James <tjames@provincefirm.com>; Kissner, Andrew <AKissner@mofo.com>; Spencer Stires <sstires@provincefirm.com>
Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>
Subject: RE: Coin cloud

External Email

Tanner, Spencer,

In addition to the previous request, can you please also provide:

- 1 . What are the make and model of the machines?
- 2 . What make and model the bill acceptor or recycler?
- 3 . What make and model of the printer type that's installed?

4. What are the make and model of the camera and scanner parts that are installed?

Thanks,
Zach

Zach Marcus

Vice President
Enigma Securities, New York | Makor Group
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10 East 53rd Street, 17th Floor, New York, NY 10022

Zach Marcus

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From: Zach Marcus <zmarcus@Enigma-securities.io>
Sent: Monday, April 24, 2023 3:00 PM
To: Tanner James <tjames@provincfirm.com>; Kissner, Andrew <AKissner@mofo.com>; Spencer Stires <[sstires@provincfirm.com](mailto:ssstires@provincfirm.com)>
Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>
Subject: RE: Coin cloud

Tanner,

We have received 5+ different excels over the past month, all of which have slightly different information. I had previously gone through the exercise of consolidating into a single spreadsheet with all relevant information, only to find out the information was incorrect. Therefore, it would be best if Province could prepare the information given you have the latest and correct data.

I understand you are busy with the stalking horse process, however we originally requested the information four days ago (Thursday morning) with a couple follow-up emails and have yet to receive any level of confirmation of receipt or that it is in process. I do not want to make the mistake of evaluating the wrong dataset, but it should be a relatively straightforward exercise for you to consolidate the requested data and break it out into the relevant cohorts.

Thanks,
Zach

Zach Marcus
Vice President
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10 East 53rd Street, 17th Floor, New York, NY 10022

Zach Marcus

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From: Tanner James <tjames@provincefirm.com>

Sent: Monday, April 24, 2023 2:37 PM

To: Zach Marcus <zmarcus@Enigma-securities.io>; Kissner, Andrew <AKissner@mofo.com>; Spencer Stires <[sstires@provincefirm.com](mailto:ssstires@provincefirm.com)>

Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

Hi Zach,

The Debtor and their professionals are fairly bogged down with the stalking horse selection process for the next few days.

Other than the comprehensive spreadsheets requested below and the contact information, are you missing any source data / components to the analysis you are seeking?

If this is time sensitive, all of the source information in the spreadsheets we have provided more recently can be reconciled by the LIDs, which have not changed with respect to the go-forward footprint and rejected locations. Otherwise, we can turn back to this later this week.

Best,

Tanner James

Senior Associate

From: Zach Marcus <zmarcus@Enigma-securities.io>

Sent: Monday, April 24, 2023 11:27 AM

To: Kissner, Andrew <AKissner@mofo.com>; Spencer Stires <[sstires@provincefirm.com](mailto:ssstires@provincefirm.com)>

Cc: Tanner James <tjames@provincefirm.com>; Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

EXTERNAL EMAIL

Tanner, Spencer,

Can you please include the contact information for the store owners on the 110?

Please confirm your receipt of the request and let us know of expected timing.

Thanks,

Zach

Zach Marcus

Vice President

Enigma Securities, New York | Makor Group

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Zach Marcus

Vice President

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From: Zach Marcus <zmarcus@Enigma-securities.io>

Sent: Monday, April 24, 2023 10:02 AM

To: Kissner, Andrew <AKissner@mofo.com>; Spencer Stires <[sstires@provincefirm.com](mailto:ssstires@provincefirm.com)>

Cc: Tanner James <tjames@provincefirm.com>; Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

Spencer, Tanner,

Hope you both had a nice weekend. I am following up on the below requests, and clarifying the request for the sake of time.

We greatly appreciate the breakout of the rejected machines from the list of our total collateral. We kindly ask the you create a third tab with the 110 initial rejected machines.

On all of the tabs, can you please include the location/address for each machine? Each tab should be the following:

1. Complete list of Enigma machines
2. Total rejection list including revenue, monthly rent, and profitability figures, and location/address
3. 110 machine initial rejection list including revenue, monthly rent, and location/address

Please let me know of any questions and of expected timing on the request.

Thanks,

Zach

Zach Marcus

Vice President

Enigma Securities, New York | Makor Group

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From: Kissner, Andrew <AKissner@mofo.com>

Sent: Thursday, April 20, 2023 5:28 PM

To: Zach Marcus <zmarcus@Enigma-securities.io>; Spencer Stires <ssstires@provincefirm.com>

Cc: Tanner James <tjames@provincefirm.com>; Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: RE: Coin cloud

It would also probably make sense while you're doing that to add the address data associated with the LID just to close the loop. Thanks all.

Andrew Kissner

Of Counsel

akissner@mofo.com

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From: Zach Marcus <zmarcus@Enigma-securities.io>

Sent: Thursday, April 20, 2023 12:58 PM

To: Spencer Stires <ssstires@provincefirm.com>

Cc: Kissner, Andrew <AKissner@mofo.com>; Tanner James <tjames@provincefirm.com>; Barry Finkelstein <bfinkelstein@Enigma-securities.io>

Subject: Re: Coin cloud

External Email

Thank you, Spencer. Can you please highlight or copy to a new tab the 110 machines first to be abandoned?

Best,
Zach

Zach Marcus

Vice President

Enigma Securities, New York | Makor Group

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On Apr 20, 2023, at 3:40 PM, Spencer Stires <sstires@provincefirm.com> wrote:

Andrew—the attached should have the information they need.

Thanks,

Spencer Stires
Associate

From: Kissner, Andrew <AKissner@mofo.com>
Sent: Thursday, April 20, 2023 8:28 AM
To: Spencer Stires <sstires@provincefirm.com>; Tanner James <tjames@provincefirm.com>
Cc: Barry Finkelstein <bfinkelstein@Enigma-securities.io>; Zach Marcus <zmarcus@Enigma-securities.io>
Subject: RE: Coin cloud

EXTERNAL EMAIL

Spencer,

See below from Enigma. I think this is what was originally requested and discussed last week. Let us know if you'd like to discuss.

“Please create a separate tab that only includes the abandoned machines, their average monthly revenue for each year (2021, 2022, 2023), and their average monthly profitability (revenue less COGS (cost of buying btc) less monthly rent less software expenses less cash logistics expenses)? We need the information in Yellow and we need it for the abandoned machines separately.”

-Andrew

Andrew Kissner
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<4.20.23 Coin Cloud - All Enigma Revenue Data_requestSheet.xlsx>

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